

**SENATE BILL NO. 764**

October 21, 1997, Introduced by Senators PETERS,  
DE BEAUSSAERT, A. SMITH, BYRUM, YOUNG, CONROY, HART  
and STALLINGS and referred to the Committee on Finance.

A bill to amend 1967 PA 281, entitled  
"Income tax act of 1967,"  
(MCL 206.1 to 206.532) by adding section 266.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1        SEC. 266. (1) FOR THE 1997 TAX YEAR AND EACH TAX YEAR AFTER  
2 THE 1997 TAX YEAR AND SUBJECT TO SUBSECTIONS (2) TO (5), A TAX-  
3 PAYER MAY CREDIT AGAINST THE TAX IMPOSED BY THIS ACT 50% OF THE  
4 VALUE OF COMPUTER EQUIPMENT DONATED BY THE TAXPAYER DURING THE  
5 TAX YEAR TO A PUBLIC SCHOOL.

6        (2) THE CREDIT ALLOWED UNDER THIS SECTION SHALL NOT EXCEED  
7 \$100.00 FOR A SINGLE RETURN OR \$200.00 FOR A HUSBAND AND WIFE  
8 FILING A JOINT RETURN.

9        (3) THE VALUE OF COMPUTER EQUIPMENT USED TO CALCULATE THE  
10 CREDIT UNDER THIS SECTION SHALL BE SUPPORTED BY ACTUAL ITEMIZED  
11 RECEIPTS FOR NEWLY PURCHASED COMPUTER EQUIPMENT OR BY WRITTEN

1 APPRAISALS, TRADE JOURNALS, OR SIMILAR EVIDENCE FOR USED COMPUTER  
2 EQUIPMENT.

3 (4) TO QUALIFY FOR THE CREDIT UNDER THIS SECTION, THE COM-  
4 PUTER EQUIPMENT SHALL BE DONATED TO THE PUBLIC SCHOOL IN THE TAX  
5 YEAR AND BE ACCEPTED BY THE PUBLIC SCHOOL IN THE SAME TAX YEAR.

6 (5) THE TAXPAYER SHALL ATTACH TO THE ANNUAL RETURN ON WHICH  
7 A CREDIT IS CLAIMED UNDER THIS SECTION A LETTER FROM THE PUBLIC  
8 SCHOOL TO WHICH A DONATION WAS MADE THAT STATES THAT THE COMPUTER  
9 EQUIPMENT WAS DONATED BY THE TAXPAYER, THAT THE PUBLIC SCHOOL  
10 ACCEPTED THE COMPUTER EQUIPMENT AS A DONATION, AND THAT THE COM-  
11 PUTER EQUIPMENT WAS IN GOOD WORKING ORDER.

12 (6) IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SECTION  
13 EXCEEDS THE TAX LIABILITY OF THE TAXPAYER FOR THE TAX YEAR, THAT  
14 PORTION OF THE CREDIT THAT EXCEEDS THE TAX LIABILITY SHALL NOT BE  
15 REFUNDED.

16 (7) AS USED IN THIS SECTION:

17 (A) "COMPUTER EQUIPMENT" MEANS COMPUTER PARTS, COMPONENTS,  
18 AND OTHER HARDWARE AND COMPUTER SOFTWARE.

19 (B) "PUBLIC SCHOOL" MEANS A PUBLIC SCHOOL AS THAT TERM IS  
20 DEFINED IN SECTION 5 OF THE REVISED SCHOOL CODE, 1976 PA 451, MCL  
21 380.5.